

**STATE OF CONNECTICUT
CONNECTICUT SITING COUNCIL**

**APPLICATION OF KLEEN ENERGY
SYSTEMS, LLC FOR A CERTIFICATE
OF ENVIRONMENTAL COMPATIBILITY
AND PUBLIC NEED FOR AN ELECTRIC
GENERATING FACILITY AND
SWITCHYARD IN MIDDLETOWN**

DOCKET NO. 225C

JULY 28, 2010

**PREFILED TESTIMONY OF WILLIAM J. CORVO
ON BEHALF OF KLEEN ENERGY SYSTEMS, LLC**

Q1. Please state your name and business address.

A. My name is William J. Corvo. My business address is 363 Main Street, Suite 404, Middletown, Connecticut 06457.

Q2. Please describe your background and experience.

A. I have worked as a private business consultant with offices in Middletown, Connecticut since 1973. My resume, to the extent it is necessary, was attached as Exhibit WCC-1 to my original testimony in this Docket.

Q3. What are your responsibilities with respect to Kleen Energy Systems, LLC (“Kleen Energy”)?

A. I am responsible for coordination of all facets of the development of the power plant Project that is currently being constructed in Middletown, Connecticut.

Q4. What is the purpose of your testimony?

A. The purpose of my testimony is to describe the history of the Kleen Energy project, provide additional background on the steps Kleen Energy has taken since the explosion that occurred on February 7, 2010 and explain the reasons why Kleen Energy is seeking an extension of its Certificate in this docket, currently set to expire on November 30, 2010. As the Council is aware, Kleen Energy has submitted a request to extend that Certificate through and including June 30, 2011.

Q5. Why is Kleen Energy seeking to extend its Certificate issued in this Docket?

A. As the Siting Council is aware, on February 7, 2010, the Kleen Energy Facility experienced an explosion caused by the release and combustion of natural gas during the process known as “gas blows,” which were undertaken for the purpose of cleaning debris from the newly constructed natural gas lines located between the gas compressor station and the heat recovery steam generators (“HRSGs”). Since the time of the explosion, Kleen Energy has been cooperating with federal, state, and local authorities as they have been conducting investigations regarding the cause of the explosion.

Because of the delay caused by the explosion and the subsequent federal, state and local investigations, Kleen Energy will be unable to have the Facility completed and operational by the current November 30, 2010 deadline. Based on the information available, Kleen Energy believes that the Facility will be operational by April 8, 2011. Therefore, Kleen Energy requests an extension of its Certificate through and including June 30, 2011 to complete construction. Obviously, Kleen Energy has built in additional time in order to accommodate any unforeseen delays.

Q6. Kleen Energy referenced a project completion date of April 4, 2011 in its original request for an extension. Why has this date changed to April 8, 2011?

A. As the Council is aware, as of the date of the filing of this request for extension of Kleen Energy's Certificate, Kleen Energy was anticipating a project completion date on April 4, 2011. As explained more fully below, vendors to the Project have been on site conducting damage assessments since access to the Site has permitted them to do so. While most of the written reports for the damage assessments are not complete, Kleen Energy has been receiving continuous field updates from those vendors. Using those updates, Kleen Energy has continued to adjust its projected recovery and completion schedule and adjust its projected completion date accordingly. In addition, as those field updates become available, Kleen Energy has ordered the necessary procurements. To date, Kleen Energy has spent approximately \$20 million in procurement as part of its recovery and completion process.

Q7. What is the status of Kleen Energy's damage assessment at the Facility?

A. Since February 7, 2010, the Site has largely been controlled by federal, state and local officials investigating the accident. From the early moments after the explosion until February 26, 2010, the site was controlled by the Middletown Police Department and the Middletown South Fire District, after which time site control was relinquished to the U.S. Chemical Safety Board ("CSB") and subsequently to the federal Occupational Safety and Health Administration ("OSHA"). OSHA, along with other federal, state and local authorities, limited access to, and control of, the Site in order to conduct their investigations. Over the course of past six months since the accident, portions of the Site have been gradually released back to O&G Industries, Inc. ("O&G") acting as Kleen Energy's EPC contractor. As of June 29, 2010, the entire Site was released back to O&G. The status of specific damage assessments conducted by key vendors to the project is discussed in more detail in the Mr. Audette's testimony.

Q8. Does Kleen Energy intend to utilize natural gas to conduct gas blows to clean any of the piping at the Facility?

A. As the Council is aware, prior to operation of the Facility, the gas pipelines must be cleaned so that debris does not make its way from the pipelines to the turbines. Kleen Energy and O&G have both committed to not use natural gas as the cleaning agent to clean piping at the Facility during the re-construction and completion of the Facility. As explained in greater detail in Mr. Audette's testimony, O&G is working with its engineers to redesign the remaining piping system so that it can be cleaned using a combination of non-flammable gases (e.g., compressed air or nitrogen) and/or "smart pigging" to clean the remaining pipe.

Q9. Has Kleen Energy reviewed the findings of the Nevas Commission Report released on or about June 3, 2010?

A. Kleen Energy has reviewed the Nevas Commission Report and has forwarded 15 copies of the same to the Siting Council in connection with this request for extension of the Certificate for the Facility. Kleen Energy wishes to incorporate the Nevas Commission Report into the record of docket.

To the extent the Nevas Commission Report addresses the construction of power plants in its findings, Kleen Energy is willing to incorporate the Nevas Commission Report as part of the approval of its Certificate extension request. Most of the recommendations of the Nevas Commission, however, suggest possible areas for future regulatory change and Kleen Energy leaves those changes to the applicable governmental bodies and regulators to implement. Most of the Nevas Commission recommendations focus on ensuring that there is regulatory oversight of “gas blow” procedures utilized at power plants and suggest the selection of various state agencies that may be best equipped to recalculate such procedures. As discussed above, Kleen Energy and O&G are committed to not utilizing natural gas in gas blows in order to clean the gas pipeline at the Facility. Instead, Kleen Energy and O&G have been working closely with engineers and the U.S. Chemical Safety Board (“the CSB”) to develop a safe, alternative procedure to perform the necessary cleaning that does not utilize natural gas. In addition, to the extent referenced in the Nevas Commission, Kleen Energy intends to meet or exceed all applicable construction and safety requirements in order to complete construction of the Facility within the time frame delineated and in the safest manner possible.

Q10. Does this conclude your testimony?

A. Yes it does.

The statements above are true and complete to the best of my knowledge.

July 28, 2010
Date

/s/
William J. Corvo